

COUNTY OF SAN BERNARDINO
Dental Care Benefits RFP HRD 09-002
- Questions from the Carriers

1. Could we also get clarification on the actual effective date the County is requesting. Is it 7/18/09 for Actives and 10/1/09 for Retirees? Or 10/1/09 for all?

Effective dates are: 7/18/09 for Actives, and 1/1/10 for Retirees.

2. We need an updated census that breaks out Active from Retiree on the DPPO side (important as benefits, rates, and contribution are all different). The census also needs to include the DHMO population that appears to be missing all together along with close to 2,500 DPPO subscribers. Lastly, we would like to have the census include all Eligibles including the waived.

New census was provided to all vendors, via email, on October 21, 2008, and is available on the County's website attached to the original RFP.

3. Provide experience through August or September.

Updated claims experience for Active and Retirees is included as Attachment 1 and is posted on the County's website.

4. Confirm: Is student age 23 or 24?

Dependent students are eligible through age 23. In other words, eligibility terminates upon attainment of age 24.

5. We have reviewed the online benefit books but there is critical plan specifics missing. We need Delta's actual benefit summaries on all 3 plans, so we can make sure we are matching the inforce benefits as closely as possible.

Summary of Benefit booklets are available on the County's website effective Thursday, October 30, 2008.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

6. What is the reason for the bid (poor account management service, claims, network discounts, etc)?

The County's policy requires that vendor contracts be put out to bid through a formal Request for Proposal process every 3 years, unless approved for a longer period of time by the Board of Supervisors.

7. What is Delta doing well? What is Delta not doing well? What does Delta not do that the County wants?

The County has declined to respond to these questions.

8. We started working on the repricing of the claims. In order for us to complete this request we need to have the claims line by line at the procedure code level. For example: If there is one claim with a cleaning and a filling, we would need 2 separate lines of data by the procedure code, the provider info (tin, name, address, zip), and submitted dollar amount. With this information, if the provider is in our network, we can find the exact fee schedule amount for that procedure that we have contracted with the provider. We can compare this amount to the submitted amount to calculate the discounts that the group would have seen if they were in our network.

Current vendor, Delta Dental, has provided data, which is included as Attachment 2. This data is also posted on the County's website.

9. Please provide the following dental information based on group size is over 249;

(a) Current Census (Gender, DOB, Coverage Type, Zip Codes) in Excel Format

Except for Gender, this information is included in census.

(b) Current Carrier Benefit Booklet \ SPD

This is a duplicate question (please refer to Question 5 above).

COUNTY OF SAN BERNARDINO

**Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)**

- (c) Current Average Monthly Claims (minimum of 6 months) for dental only.
3½ years of monthly claims were included in the RFP on pages 39-44.
- (d) Current Monthly Enrollment Experience (Minimum of 18 months) for dental only.
3½ years of monthly enrollment were included in the RFP on pages 39-44.
- (e) Current Rates & Renewal Rates
The current and past rates are shown below. Renewal rates will not be provided.

2008		
<i>Delta Dental PPO</i>	Employee Only	\$16.34
	Employee +1	32.54
	Employee +2	57.43
<i>DeltaCare USA</i>	Employee Only	7.54
	Employee +1	12.94
	Employee +2	17.27
2007		
<i>Delta Dental PPO</i>	Employee Only	\$15.48
	Employee +1	30.91
	Employee +2	54.61
<i>DeltaCare USA</i>	Employee Only	7.54
	Employee +1	12.94
	Employee +2	17.27
2006		
<i>Delta Preferred Option</i>	Employee Only	\$15.48
	Employee +1	30.91
	Employee +2	54.61
<i>DeltaCare</i>	Employee Only	7.54
	Employee +1	12.94
	Employee +2	17.27

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

(f) RFP in Word Format.

The RFP is available on the County's website in a read-only Word format.

10. Is the County anticipating any changes in their contribution towards dental coverage for actives or retirees in 2009?

The County does not anticipate any changes in the contribution rates for 2009.

11. Exhibits 4A, 4B, and 4C: The heading item #3 requests rate guarantees on a “not to exceed” bases for 2010 and 2011. However we note that the chart requests 2nd and 3rd rate cap guarantees for 2009 and 2010. We assume the years on the chart are simply typos but request confirmation.

Second and third year rate caps should be corrected to reflect 2010 and 2011 for Actives and 2011 and 2012 for Retirees.

12. Exhibit 4A – Rate Quotation – Self-Insured Active DPPO: The rate quotation form requests that ASO fees be quoted on a Biweekly basis for Single, 2-Party and Family tiers. The current ASO fee for the DPPO is the same level fee for all tiers. Please confirm that there should be no differentiation in the ASO fee by tier.

There should be no differentiation in the ASO fee by tier.

13. Exhibit 4A – Rate Quotation – Self-Insured Active DPPO: The footnote at the bottom of the form is a request to “Please indicate change in Premium/Retention rates if contract written on a Participation basis”. Fully-insured rates were not requested in Section 1A of the Introduction for active employees. Please advise if the County is also requesting fully-insured rates for actives under the DPPO.

As an option, please provide fully insured rates for Active employees under the DPPO.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

14. Page 38, Premium Rate History, Retiree Fully-Insured DPPO: In the far right contract term column for retiree premium rates, it states 9/05-1/07 for the rates of \$33.76 EE Only, \$64.18 EE+ and \$112.07 EE+2 or more.

Please note that the actual contract term for these Retiree rates headings should be 1/1/07 through 12/31/09.

15. Exhibit 5D, Benefit Alternatives: We need clarification on completing this quotation form which has a column for PPO (contracted rate) and a column for Non-PPO (max. allowed). Please advise if you are requesting only a flat percentage impact for the requested alternative benefits for both actives and retirees or will you also require specific retiree rates for these alternatives by tier.

Please quote actual rates for the benefit alternatives for the DPPO plan for Active and Retired members separately.

16. We are missing the data file that includes the claims for re-pricing and the providers for the disruption reports

This is a duplicate question (please refer to Question 8 above).

17. What is the definition of Southern California in regards to having a 10,000+ dental group to meet the minimum requirements of the bid?

Generally, the following counties are defined as “Southern California”: San Bernardino, Imperial, Inyo, Kern, Riverside, Orange, San Diego, Ventura and Los Angeles. This minimum requirement is to ensure that a vendor has appropriate resources and experience to administer the County’s dental programs.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

18. There is a discrepancy in the total at risk requested for the PG's, what is the actual risk of the performance guarantees? 10% total yet categories add up to 15%?

Each individual category has its own risk penalty. It would be highly unusual for a vendor to be penalized in all categories. The maximum penalty for all categories is 10%.

19. For the DHMO population with access to PPO docs, would a 3rd option of an INO (In Network Only) plan with DHMO copays be accepted?

Options may be quoted as long as they meet the requirements of the RFP. Options, (including an In Network Only Option), must be clearly defined and compared to existing plans and rated separately.

20. With respect to the census:

- (a) What exactly do the terms "DELTA" and "DELTAP" apply? I assume the P stands for PPO, and DELTA without the P is for the DHMO. Please clarify.

DELTAP stands for Delta PPO and Delta without the P is for the DHMO. New census information has been provided and is available on the County's website attached to the original RFP.

- (b) It is assumed that the coverage codes 1, 2 and 3 correspond to single, single +1 dependent, and single + 2 or more dependents. Please verify.

Yes, code 1 is defined as a single employee, code 2 defines an employee with 1 dependent, and code 3 defines an employee with 2 or more dependents.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

- (c) The July 2008 lives noted in the experience provided has a total count of 19,054 enrolled lives between the Active PPO, DHMO and Retiree PPO. The census has a total of 16,716. Is this census missing lives, or has the total enrollment dropped since July 2008?

Updated census was provided to vendors on October 21, 2008 and is available on the County's website attached to the original RFP.

- (d) Can we obtain a census that has clear indicators for Active PPO, Active DHMO and Retiree PPO elections. This information is helpful in looking at the access for each group based on their zip codes.

We believe the census includes this information, including member zip codes.

21. With respect to Exhibit 10 - request for indication of network participation:

- (a) Is it possible to get the claims paid associated with each line/dentist/location noted in the exhibit? It would be helpful in making determinations as to our actual disruption and ability to adjust claims due to our network.

This is considered proprietary information.

- (b) The information in Exhibit 10 does not indicate which network these dentists are currently participating Preferred (PPO), Premier, or DHMO. Can we get those indicators?

An updated Exhibit 10 is included as Attachment 3 and provides the requested breakdown by PPO, Premier, and DHMO dentist.

COUNTY OF SAN BERNARDINO

**Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)**

- (c) It would appear that this is a small subset of the current dentists utilized by the county of San Bernardino membership. Is it possible to get a more complete listing? At minimum, the top 100 dentists utilized by each, the Active PPO population, the Retiree PPO population and the DHMO population. The paid claims to each of the dentists, as well as if the dentist is in or out of network.

This Exhibit 10 provides a listing of dentists that are a part of the Hospitality Dental Group that contracts with Delta Dental.

22. With respect to the re-pricing request:

- (a) As we discussed earlier, we cannot produce a re-pricing of a claims extract. We can provide a handful of claims, re-priced, but they would not reflect any changes as a result of our DRL. Additionally, it would appear from the data that was submitted with the RFP, that we never received the file to use in this request. I searched the County's web-site and only found the data that was submitted.

This is a duplicate question (please refer to Question 8 above).

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

23. With respect to the Plan Designs:

- (a) The RFP pointed us to employee and retiree handbooks on their web-site for the outlines of the current benefits. Generally these types of materials do not have the complete outline of the plan including limitations and exclusions. In order to effectively state that we can match current benefits, it is important that we obtain the complete booklets as issued by the carrier. Additionally, our DHMO offering will not be stated as matching the current plan. We will offer a plan that is as close as possible.

This is a duplicate question (please refer to Question 2 above). Please clearly note any differences in your DHMO offering compared to the County's DHMO plan.

- (b) Were there any plan changes implemented during the time period for which claims experience was provided? If there were changes, it is important to know what they were, and the effective dates of the changes.

Plan changes for all Active and Retired members during the claims experience periods provided were noted on pages 35-37 of the RFP.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

24. My last issue is with respect to the current practice of allowing individuals in certain locations to essentially purchase the DHMO benefit, but be allowed to use the PPO network. I'm not so sure we would be able to accommodate this arrangement. How important to the offer is this arrangement? On the surface it appears to be discriminatory as there is no definition as to what is considered not having access. Additionally, it would seem as though this type of arrangement may pose a problem with our network area. This will be researched and discussed, but I wanted to let you know that there may be issues.

The locations referred to above are Needles, Trona, Baker, and Ridgecrest. Duplicating the current benefit design for individuals residing in these locations will be a very important consideration in the County's review and selection of a dental provider. Employees living in these areas are not limited to the PPO Plan. They are eligible to receive benefits from any licensed dentist in California or Arizona.

25. What is the Hospitality Network?

Please refer to the response to Question 21(c) above regarding additional information concerning the Hospitality Dental Group.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

26. In order to complete the claims repricing exhibits (Exhibits 6A and 6B), we will need claim level detailed claims with the following information included:

- (a) Dentist Tax ID / Social Security Number
- (b) Dentist Zip Code
- (c) CDT-7 Compliant Procedure Codes
- (d) Number of Services
- (e) Dentist's Charge
- (f) Current Carrier Allowed Charges
- (g) Current Carrier Paid Amount, if available

This is a duplicate question (please refer to Question 8 above). Also, with regard to items (e), (f) and (g), this is considered proprietary information, pursuant to our response to Question 21(a) above.

27. Please confirm the dollar amounts for the Retirees' claims experience for March 2006.

The claim amount for the month of March, 2006 on page 43 for Retirees is accurate.

28. Are network utilization reports available? What percentage of PPO claims fall into the current PPO network offered?

Utilization information is included as Attachment 4.

29. Please confirm there have not been any PPO benefit changes for the Actives since July 2006 and since July 2004 for the Retirees.

This is a duplicate question (please refer to Question 23(b) above).

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

30. What happens if a PPO member goes to a non-Delta dentist? How are claims paid?

Active Employees: Claims incurred at a Non-Delta dentist are paid based on what would be paid to a PPO provider. Claims can be subject to balance billing and may be subject to the member filing a claim. Claims incurred at a Delta Premier dentist are paid at PPO provider rates and are not subject to balance billing or claim filing by the member. Retirees: Claims incurred at a Non-Delta dentist are paid on a percentage based upon average allowable fees equal to 51% of all Delta Dental filed fees. Members may have to pay the provider and then file their claim directly with Delta Dental. Claims incurred at a Delta Dental Premier dentist (Non-PPO) are paid based on Premier dentist's contracted fees.

31. In order to provide fully-insured rates, please provide a census enrollment by tier, actives and retirees.

This is a duplicate question (please refer to Question 2 above).

32. Please provide complete SPDs of the current PPO plans and a complete copayment schedule for the DHMO plan.

This is a duplicate question (please refer to Question 5 above).

33. How does the current plan enforce waiting periods for major services for new hires? For example, if a new employee is hired, do they automatically have the waiting period, or if they show prior coverage for major services, is the waiting period is waived?

There is no waiting period for Active employees (new hires). Eligibility for Active employees commences 2 weeks after hire date. There is no waiting period for Retirees who: (a) maintain continuous dental coverage from Active to Retiree status under the County's plan, or (b) show proof of dental Creditable Coverage, and (c) maintain ongoing Retiree dental eligibility (i.e., has no break in eligibility). If a Retiree does not meet (a), (b), or (c), a 12 month waiting period for major restorative services will apply.

COUNTY OF SAN BERNARDINO

**Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)**

34. Can the County please clarify what access standard it considers sufficient and non-sufficient for employee access to the DHMO network in Needles, Trona, Baker and Ridgecrest?

The County considers an access standard of at least one dentist within 25 miles as sufficient.

35. In order to complete the DHMO network match (Exhibit 9), please provide a list of dentists currently capitated for County employees and retirees.

Attachment 5 provides a listing of DHMO dentists for Active Employees only. Retirees are not eligible to receive DHMO benefits.

36. Is it possible to obtain a retiree census including zip codes?

This is a duplicate question (please refer to Question 2 above).

37. Can we get Retiree lives by tier?

This is a duplicate question (please refer to Question 2 above).

38. There are two plans shown on the census – Deltap and Delta. Please confirm Deltap is the PPO enrollment indicator and Delta is the DHMO enrollment indicator.

This is a duplicate question (please refer to Question 20(a) above).

39. Please confirm the 12-month waiting period applies only to the Retiree PPO plan.

This is a duplicate question (please refer to Question 33 above).

40. How much does the County contribute toward the cost of the dental for actives or retirees?

Active employees receive a dental premium subsidy based on their selected coverage level (employee only, employee+1, employee+2) and length of employment, up to a

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

bi-weekly amount of \$9.46. This subsidy amount will not exceed the employee's out of pocket costs for the plan.

41. What UCR percentile are the out of network claims reimbursed on the PPO plan?
This is a duplicate question (please refer to Question 30 above).
42. Can we get a full DHMO payment schedule?
This is a duplicate question (please refer to Question 5 above).
43. Is the dental bundled with the medical?
No, the dental programs are “stand-alone” programs.
44. Are the dental programs ERISA plans?
No, the dental programs are not subject to ERISA.
45. Please clarify what is considered “sufficient” access to a DHMO provider in the rural areas?
This is a duplicate question (please refer to Question 34 above).
46. Please confirm if the bi-weekly billing needs to be administered by the dental carrier?
Yes, the dental carrier must be able to administer bi-weekly billing.

COUNTY OF SAN BERNARDINO

Dental Care Benefits RFP HRD 09-002 – Questions from the Carriers
(Continued)

47. Exhibit 6 requests repricing of dental (PPO) claims; however a claim listing was not provided.

This is a duplicate question (please refer to Question 8 above).

Please refer to Addendum #2 for Word version of RFP, Updated Exhibits, and New Census Information.